# House File 2223 - Introduced

HOUSE FILE 2223

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and KURTH

# A BILL FOR

- 1 An Act providing for paid sick leave and scheduling procedures
- 2 for employees, establishing a family leave and medical leave
- 3 insurance program, providing penalties and remedies, and
- 4 including applicability provisions.
- 5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. Section 84A.1, subsection 1, Code 2020, is 2 amended to read as follows:
- 3 1. The department of workforce development is created to
- 4 administer the laws of this state relating to unemployment
- 5 compensation insurance, job placement and training, employment
- 6 safety, labor standards, and workers' compensation, family
- 7 leave and medical leave insurance, and related matters.
- 8 Sec. 2. Section 84A.5, subsections 3 and 4, Code 2020, are
- 9 amended to read as follows:
- 10 3. The department of workforce development is responsible
- 11 for administration of unemployment compensation benefits
- 12 and collection of employer contributions under chapter 96,
- 13 providing for the delivery of free public employment services
- 14 established pursuant to chapter 96, administration of family
- 15 leave and medical leave insurance under chapter 96A, other job
- 16 placement and training programs established pursuant to section
- 17 84A.6, and the delivery of services located throughout the
- 18 state.
- 19 4. The division of labor services is responsible for the
- 20 administration of the laws of this state under chapters 88,
- 21 88A, 88B, 89, 89A, 89B, 90A, 91, 91A, 91C, 91D, 91E, 92, and 94,
- 22 94A, and 95, and sections 73A.21 and 85.68. The executive head
- 23 of the division is the labor commissioner, appointed pursuant
- 24 to section 91.2.
- Sec. 3. Section 91.4, subsection 2, Code 2020, is amended
- 26 to read as follows:
- The director of the department of workforce development,
- 28 in consultation with the labor commissioner, shall, at the
- 29 time provided by law, make an annual report to the governor
- 30 setting forth in appropriate form the business and expense of
- 31 the division of labor services for the preceding year, the
- 32 number of remedial actions taken under chapter 89A, the number
- 33 of disputes or violations processed by the division and the
- 34 disposition of the disputes or violations, and other matters
- 35 pertaining to the division which are of public interest,

- 1 together with recommendations for change or amendment of the
- 2 laws in this chapter and chapters 88, 88A, 88B, 89, 89A, 89B,
- 3 90A, 91A, 91C, 91D, 91E, 92, and 94, 94A, and 95, and section
- 4 85.68, and the recommendations, if any, shall be transmitted
- 5 by the governor to the first general assembly in session after
- 6 the report is filed.
- 7 Sec. 4. Section 91A.2, subsection 7, Code 2020, is amended
- 8 by adding the following new paragraph:
- 9 <u>NEW PARAGRAPH</u>. e. Predictability pay pursuant to section
- 10 93.4.
- 11 Sec. 5. NEW SECTION. 94.1 Definitions.
- 12 For the purposes of this chapter, unless the context
- 13 otherwise requires:
- 14 1. "Child" means a biological, adopted, or foster child,
- 15 stepchild, legal ward, or a child to whom the employee stands
- 16 in loco parentis, who is either under eighteen years of age
- 17 or eighteen years of age or older and incapable of self-care
- 18 because of a mental or physical disability.
- 19 2. "Commissioner" means the labor commissioner appointed
- 20 pursuant to section 91.2, or the labor commissioner's designee.
- 21 3. "Domestic abuse" means the same as defined in section
- 22 236.2.
- 23 4. "Employee" means an individual who is employed in this
- 24 state for compensation by an employer.
- 25 5. "Employer" means any person that employs employees in
- 26 this state.
- 27 6. "Retaliation" means any termination of employment,
- 28 suspension, constructive discharge, demotion, unfavorable
- 29 reassignment, refusal to promote, disciplinary action, or other
- 30 adverse employment action taken by an employer.
- 31 7. "Sexual assault" means the same as defined in section
- 32 915.40.
- 33 Sec. 6. NEW SECTION. 94.2 Paid sick leave requirements
- 34 exceptions.
- 35 l. An employer shall provide paid sick leave annually to

- 1 each employee employed by the employer. An employee shall
- 2 accrue paid sick leave at a rate of one hour of leave for each
- 3 thirty hours worked by the employee, in one-hour increments
- 4 up to a maximum of fifty-six hours of leave per calendar
- 5 year. An employee shall not be entitled to use more than
- 6 fifty-six accrued hours of paid sick leave per year. An
- 7 employee shall be entitled to carry over up to fifty-six unused
- 8 accrued hours of paid sick leave from one calendar year to the
- 9 following calendar year. An employee shall begin to accrue
- 10 paid sick leave on the first day of the employee's employment
- 11 by an employer. An employee may use accrued paid sick leave
- 12 beginning sixty calendar days after the first day of the
- 13 employee's employment by an employer.
- 2. An employer shall pay an employee for accrued paid sick
- 15 leave at a pay rate equal to the normal hourly wage for that
- 16 employee. For any employee whose hourly wage varies depending
- 17 on the work performed by the employee, the employee's pay rate
- 18 shall be the average hourly wage of the employee in the pay
- 19 period prior to the one in which the employee used accrued
- 20 paid sick leave. However, an employer who employs fifteen or
- 21 less employees in this state may instead provide an employee
- 22 with unpaid leave or leave paid at a rate less than the normal
- 23 hourly wage for that employee.
- 24 3. An employer shall be deemed to be in compliance with
- 25 this section if the employer offers any other paid leave or
- 26 combination of other paid leave that may be used for the
- 27 purposes of section 94.3 and is accrued at a rate equal to or
- 28 greater than the rate described in subsection 1. Other paid
- 29 leave may include but is not limited to vacation, personal
- 30 days, or time off.
- 31 4. By mutual consent of an employee and employer, the
- 32 employee may work additional hours or shifts during the same
- 33 pay period the leave is taken or during the following pay
- 34 period, instead of using accrued paid sick leave.
- 35 Sec. 7. NEW SECTION. 94.3 Permitted uses of leave.

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- 1 l. An employer shall permit an employee to use paid sick
- 2 leave accrued by the employee for the reasons specified in
- 3 subsections 2 and 3.
- 4 2. For an employee, the employee's spouse, or the employee's
- 5 child, accrued paid sick leave may be used for any of the
- 6 following reasons:
- 7 a. Mental or physical illness, injury, or a health
- 8 condition.
- 9 b. Medical diagnosis, care, or treatment of mental illness
- 10 or physical illness, injury, or a health condition.
- 11 c. Preventative medical care.
- 12 3. For an employee who is a victim of domestic abuse or
- 13 sexual assault, accrued paid sick leave may be used for any of
- 14 the following reasons:
- 15 a. Medical care or psychological or other counseling for
- 16 physical or psychological injury or disability.
- 17 b. To obtain services from a victim services organization.
- 18 c. Relocation due to such domestic abuse or sexual assault.
- 19 d. Participation in any civil or criminal proceedings
- 20 relating to or resulting from such domestic abuse or sexual
- 21 assault.
- 22 Sec. 8. NEW SECTION. 94.4 Advance notice documentation.
- 23 l. If an employee's need to use paid sick leave is
- 24 foreseeable, an employer may require advance notice, not to
- 25 exceed seven days prior to the date such leave is to begin, of
- 26 the employee's intent to use such leave. If an employee's need
- 27 for such leave is not foreseeable, an employer may require an
- 28 employee to give notice of such intent as soon as practicable.
- 29 2. For paid sick leave of three or more consecutive
- 30 days, an employer may require reasonable documentation that
- 31 such leave is being taken for the purposes permitted under
- 32 section 94.3. If such leave is permitted under section 94.3,
- 33 subsection 2, documentation signed by a health care provider
- 34 who is treating the employee or the employee's child or spouse
- 35 indicating the need for the number of days of such leave shall

- 1 be considered reasonable documentation. If such leave is
- 2 permitted under section 94.3, subsection 3, a court record or
- 3 documentation signed by an employee or volunteer working for a
- 4 victim services organization, an attorney, a police officer, or
- 5 other counselor involved with the employee shall be considered
- 6 reasonable documentation.
- 7 Sec. 9. NEW SECTION. 94.5 Notice by employers.
- An employer shall, at the time of an employee's hiring,
- 9 provide notice to the employee of all of the following:
- 10 a. The right to sick leave established by this chapter, the
- 11 amount of sick leave provided, and the terms under which sick
- 12 leave may be used.
- 13 b. That retaliation or discrimination by the employer
- 14 against the employee for requesting or using sick leave for
- 15 which the employee is eligible is prohibited.
- 16 c. The employee's right to file a complaint with the
- 17 commissioner for any violation of this chapter.
- 18 2. An employer may comply with the provisions of this
- 19 section by displaying a poster in a conspicuous place,
- 20 accessible to employees, at the employer's place of business
- 21 that contains the information required by this section in both
- 22 English and Spanish.
- 23 3. The commissioner may adopt rules pursuant to chapter 17A
- 24 to establish additional requirements concerning the means by
- 25 which employers shall provide notice required by this section.
- 26 Sec. 10. NEW SECTION. 94.6 Termination of employment —
- 27 limitations.
- 28 l. Unless an employee policy or collective bargaining
- 29 agreement provides for the payment of accrued benefits upon
- 30 termination, an employee shall not be entitled to payment for
- 31 the employee's unused hours of accrued sick leave under this
- 32 chapter upon termination of employment.
- 33 2. An employee whose employment is terminated by an
- 34 employer, and who is subsequently rehired within one calendar
- 35 year of the date of termination of employment shall be entitled

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- 1 to any unused hours of paid sick leave that had been accrued
- 2 by the employee prior to the termination of the employee's
- 3 employment. An employee whose employment is terminated by
- 4 an employer, and who is subsequently rehired longer than one
- 5 calendar year after the date of termination of employment shall
- 6 not be entitled to any unused hours of paid sick leave that had
- 7 been accrued by the employee prior to the termination of the
- 8 employee's employment unless agreed to by the employer.
- 9 Sec. 11. <u>NEW SECTION</u>. **94.7** Retaliation and discrimination 10 prohibited.
- 11 An employer shall not retaliate or in any other manner
- 12 discriminate against an employee because the employee has
- 13 requested or used accrued paid sick leave in accordance with
- 14 this chapter or the employer's own paid sick leave policy, or
- 15 because the employee filed a complaint with the commissioner
- 16 alleging the employer's violation of this chapter or has
- 17 cooperated in filing such a complaint.
- 18 Sec. 12. NEW SECTION. 94.8 Complaints remedies.
- 19 An employee may file a complaint with the commissioner
- 20 alleging a violation of this chapter. Upon receipt of the
- 21 complaint, the commissioner shall cause an investigation to be
- 22 made to the extent deemed appropriate. If the commissioner
- 23 determines from the investigation that the provisions of this
- 24 chapter have been violated, the commissioner shall bring an
- 25 action in the appropriate district court against such person.
- 26 The district court shall have jurisdiction, for cause shown, to
- 27 restrain violations of this chapter and order all appropriate
- 28 relief, including payment for accrued paid sick leave used by
- 29 the employee or rehiring or reinstatement of the employee to
- 30 the former position with back pay.
- 31 Sec. 13. NEW SECTION. 94.9 Civil penalties.
- 32 1. An employer who violates section 94.7 is subject to a
- 33 civil penalty of not more than five hundred dollars for each

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- 34 violation. An employer who violates any other provision of
- 35 this chapter is subject to a civil penalty of not more than one

- 1 hundred dollars for each violation.
- 2 2. The commissioner may propose that an employer be assessed
- 3 a civil money penalty by serving the employer with notice of
- 4 such proposal in the same manner as an original notice is
- 5 served under the rules of civil procedure. Upon service of
- 6 such notice, the proposed assessment shall be treated as a
- 7 contested case under chapter 17A.
- 8 3. If an employer does not request a hearing pursuant
- 9 to subsection 2 or if the commissioner determines, after an
- 10 appropriate hearing, that an employer is in violation of this
- 11 chapter, the commissioner shall assess a civil money penalty,
- 12 consistent with the provisions of subsection 1.
- 4. An employer may seek judicial review of any assessment
- 14 rendered under subsection 3 by instituting proceedings for
- 15 judicial review pursuant to chapter 17A.
- 16 5. After the time for seeking judicial review has expired
- 17 or after all judicial review has been exhausted and the
- 18 commissioner's assessment has been upheld, the commissioner
- 19 shall request the attorney general to recover the assessed
- 20 penalties in a civil action. Any civil money penalty recovered
- 21 shall be deposited in the general fund of the state.
- 22 Sec. 14. NEW SECTION. 94.10 Construction.
- 23 This chapter shall not be construed to prohibit an employer
- 24 from doing any of the following:
- 25 l. Providing more paid sick leave than is required under
- 26 this chapter or placing limitations on the amount and purposes
- 27 for which an employee may use such additional leave.
- 28 2. Establishing a policy whereby an employee may donate
- 29 unused accrued paid sick leave to another employee.
- 30 3. Taking disciplinary action against an employee who uses
- 31 accrued paid sick leave under this chapter for purposes other
- 32 than those provided in this chapter.
- 33 Sec. 15. NEW SECTION. 94.11 Rules.
- 34 The commissioner shall adopt rules pursuant to chapter 17A
- 35 to administer this chapter.

- 1 Sec. 16. NEW SECTION. 95.1 Definitions.
- 2 As used in this chapter, unless the context otherwise
- 3 requires:
- 4 1. "Commissioner" means the labor commissioner, appointed
- 5 pursuant to section 91.2, or the labor commissioner's designee.
- 6 2. "Employee" means a natural person who is employed in this 7 state for wages by an employer.
- 8 3. "Employer" means a person, as defined in section 4.1, who
- 9 in this state employs for wages a natural person.
- 10 4. "Flexible working arrangement" means a change in an
- ll employee's terms and conditions of employment with respect to
- 12 work schedule, including but not limited to a modified work
- 13 schedule; changes in start or end times in a work schedule or
- 14 work shift; a predictable, stable work schedule; part-time
- 15 employment; job sharing arrangements; working from home;
- 16 telecommuting; limitations on the employee's availability to
- 17 work; changes in the location of the employee's worksite;
- 18 reduction or change in work duties; or part-year employment.
- 19 5. "On call" means time that an employer requires an
- 20 employee to be available to work, and to contact the employer
- 21 or the employer's designee or wait to be contacted by the
- 22 employer or the employer's designee to determine whether the
- 23 employee is required to report to work at that time.
- 24 6. "Shift" means the consecutive hours an employer requires
- 25 an employee to work or to be on call to work. Breaks totaling
- 26 two hours or less shall not be considered an interruption of
- 27 consecutive hours.
- 28 7. "Wages" means the same as defined in section 91A.2.
- 29 8. "Work schedule" means all of an employee's regular and
- 30 on-call shifts during a work week.
- 31 9. "Work week" means a fixed, consecutive seven-day period.
- 32 Sec. 17. NEW SECTION. 95.2 Advance notice of work
- 33 schedules.
- 1. An employer shall provide each employee an initial
- 35 written work schedule at least twenty-one days before the first

- 1 day of the period covered by the work schedule. An employer
- 2 shall notify an employee of any change in the employee's work
- 3 schedule before the change takes effect and shall provide the
- 4 employee with a revised written work schedule reflecting any
- 5 such change within twenty-four hours of making the change.
- 6 2. An employer shall not require an employee to work hours
- 7 not included in the employee's initial written work schedule
- 8 without written consent in advance from the employee.
- 9 3. On or before the first day of an employee's employment,
- 10 the employer shall provide the employee with a written
- 11 work schedule for the employee's first twenty-one days of
- 12 employment.
- 4. An employer shall post a written work schedule that
- 14 includes the shifts of each current employee at a worksite
- 15 at least twenty-one days before the start of each work week,
- 16 whether or not the employee is scheduled to work or be on call
- 17 that week. The employer shall update the posted work schedule
- 18 within twenty-four hours of any change to the schedule. The
- 19 employer shall post the written work schedule in a place
- 20 that is readily accessible and visible to all employees at a
- 21 worksite.
- 22 5. An employer shall begin an employee's work week on
- 23 the same day of each week, unless the employer provides the
- 24 employee written notice of a change in the start day of the
- 25 work week twenty-one days in advance of the change.
- 26 6. An employer shall not require an employee to seek or find
- 27 a replacement employee for any shifts or hours an employee is
- 28 unable to work.
- 7. An employee may request a change in work schedule,
- 30 request to limit the employee's availability to work particular
- 31 hours, or otherwise provide input into the employee's work
- 32 schedule.
- 33 Sec. 18. NEW SECTION. 95.3 Flexible working arrangements.
- 1. An employee may submit a written request to an employer
- 35 for a flexible working arrangement at any time.

- 1 2. An employer shall consider an employee's request for a
- 2 flexible working arrangement in good faith and engage in an
- 3 interactive process with the employee to determine whether
- 4 the request can be granted in a manner consistent with the
- 5 employer's business operations and legal or contractual
- 6 obligations. The employer shall initiate the interactive
- 7 process within two days of receiving the request. If the
- 8 employer requires additional information from the employee in
- 9 order to make a determination, the employer shall explain to
- 10 the employee what further information is needed and shall give
- 11 the employee a reasonable time to respond.
- 12 3. Upon the conclusion of the interactive process, an
- 13 employer shall notify the employee in writing of the employer's
- 14 decision regarding a flexible working arrangement within two
- 15 days of the employer's last communication with the employee
- 16 during the interactive process.
- 4. An employer is required to grant an employee a flexible
- 18 working arrangement if the employee requests a flexible working
- 19 arrangement for one of the following reasons and provides
- 20 documentation of the reason to the employer:
- 21 a. A serious medical condition of the employee.
- 22 b. The employee's responsibilities as a caregiver.
- 23 c. The employee's participation in a career-related
- 24 educational or training program.
- d. For a part-time employee, a reason relating to another
- 26 job of the employee.
- 27 Sec. 19. NEW SECTION. 95.4 Predictability pay required.
- 28 1. An employer may make any of the following changes to an
- 29 employee's shift within twenty-one days of, but not less than
- 30 twenty-four hours from, the start of the shift if the employer
- 31 pays the affected employee one hour of predictability pay:
- 32 a. Subtract hours from a shift.
- 33 b. Add hours to a shift or add a shift.
- 34 c. Cancel a shift.
- 35 d. Change the start or end time of a shift.

- 1 2. An employer may make any of the following changes to the
- 2 employee's shift within twenty-four hours of the start of the
- 3 shift if the employer pays the affected employee one hour of
- 4 predictability pay:
- 5 a. Change the start or end time of a shift without changing
- 6 the total number of hours in the shift.
- 7 b. Add hours to a shift.
- 3. If an employer cancels an employee's shift or reduces the
- 9 hours in an employee's shift without notifying the employee at
- 10 least twenty-four hours before the shift would otherwise begin,
- 11 the employer shall pay the employee the lesser of four hours of
- 12 predictability pay or predictability pay equal to the number of
- 13 hours originally scheduled for the shift minus the number of
- 14 hours, if any, the employee actually worked for the shift.
- 15 4. Predictability pay shall be calculated on an hourly
- 16 basis and shall be equal to the employee's regular wage rate.
- 17 Predictability pay shall be in addition to any wages earned for
- 18 work performed by the employee during a shift. An employer
- 19 shall pay predictability pay to an employee in the same pay
- 20 period in which it is accrued by the employee.
- 21 5. An employer is not required to pay an employee
- 22 predictability pay under this section when a work schedule
- 23 change is the result of any of the following:
- 24 a. The employee's request, including but not limited to a
- 25 request to trade shifts with another employee, or to use sick
- 26 leave, vacation time, or any other type of leave.
- 27 b. A mutually agreed upon shift trade among employees.
- 28 Sec. 20. NEW SECTION. 95.5 Exception for suspended
- 29 operations.
- 30 The requirements of sections 95.2, 95.3, and 95.4 do not
- 31 apply to an employer when that employer's operations are
- 32 suspended for one of the following reasons:
- 33 1. A threat to the employer's employees or property.
- 34 2. A recommendation from a local, state, or federal agency
- 35 that work not begin or continue.

- 3. A failure of a public utility or sewer system.
- 2 4. A natural disaster or other weather-related event.
- 3 Sec. 21. NEW SECTION. 95.6 Right to rest.
- 4 An employee may decline to work any hours that begin sooner
- 5 than eleven hours after the end of the employee's previous
- 6 shift.
- 7 Sec. 22. NEW SECTION. 95.7 Access to hours.
- 8 If an employer has additional hours of work available in
- 9 positions held by current employees, the employer shall offer
- 10 such hours to current qualified employees before hiring new
- 11 employees or contractors, including the use of temporary
- 12 services or staffing agencies.
- 13 Sec. 23. NEW SECTION. 95.8 Discrimination based on hours
- 14 of work prohibited.
- 15 1. An employer shall not pay a different regular rate of
- 16 pay to employees whose jobs require similar skill, effort, and
- 17 duties and are performed under similar working conditions,
- 18 based on the number of hours an employee is scheduled to work.
- 19 An employer may pay different hourly wages based on other
- 20 permissible factors, including but not limited to seniority
- 21 systems, merit, employee responsibilities, or systems that
- 22 measure earnings by quantity or quality of production.
- 23 2. An employer shall not condition eligibility for leave or
- 24 time off differently for employees whose jobs require similar
- 25 skill, effort, and duties and are performed under similar
- 26 working conditions, based on the number of hours an employee is
- 27 scheduled to work. An employer may prorate employee leave or
- 28 time off based on the number of hours the employee works.
- 29 3. An employer shall not condition eligibility for raises or
- 30 promotions differently for employees whose jobs require similar
- 31 skill, effort, and duties and are performed under similar
- 32 working conditions, based on the number of hours an employee
- 33 is scheduled to work. An employer may condition eligibility
- 34 for raises or promotions on other permissible factors,
- 35 including but not limited to seniority systems, merit, employee

- 1 responsibilities, or the nature and amount of an employee's 2 work experience.
- 3 Sec. 24. NEW SECTION. 95.9 Retaliation prohibited.
- 4 l. An employer shall not discharge or take any other
- 5 adverse action against an employee in retaliation for asserting
- 6 any claim or right under this chapter, for assisting another
- 7 employee in doing so, or for informing another employee about
- 8 their rights under this chapter. An employer taking any
- 9 adverse action against an employee within one year of the
- 10 employee's engaging in such activities raises a rebuttable
- 11 presumption that such action was retaliatory in nature. Such
- 12 presumption may be rebutted by clear and convincing evidence
- 13 that such action was taken for other permissible reasons.
- 2. Any employee may file a complaint with the commissioner
- 15 alleging retaliation within one year after such action occurs.
- 16 Upon receipt of the complaint, the commissioner shall cause an
- 17 investigation to be made to the extent deemed appropriate. If
- 18 the commissioner determines from the investigation that the
- 19 provisions of this section have been violated, the commissioner
- 20 shall bring an action in the appropriate district court against
- 21 such person. The district court shall have jurisdiction, for
- 22 cause shown, to restrain violations of this section and order
- 23 all appropriate relief including rehiring or reinstatement of
- 24 the employee to the former position with back pay.
- 25 Sec. 25. NEW SECTION. 95.10 Damages recoverable by an
- 26 employee.
- 27 In addition to any other remedy provided by law, an employee
- 28 may bring a civil action against an employer for a violation
- 29 of this chapter in any court of competent jurisdiction for
- 30 an amount equal to three times any damages incurred by the
- 31 employee. The employee may also recover court costs and
- 32 attorney fees and receive injunctive and other appropriate
- 33 relief as the court may order.
- 34 Sec. 26. NEW SECTION. 95.11 General powers and duties of
- 35 the commissioner.

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- 1. The commissioner shall administer and enforce the
   2 provisions of this chapter. The commissioner may hold hearings
   3 and investigate charges of violations of this chapter.
- The commissioner, consistent with due process of law,
- 5 may enter any place of employment to inspect records relevant
- 6 to the enforcement of this chapter, to question the employer
- 7 and employees, and to investigate such facts, conditions, or
- 8 matters as are deemed appropriate in determining whether any
- 9 person has violated the provisions of this chapter. However,
- 10 such entry by the commissioner shall only be in response to a
- 11 written complaint.
- 12 3. The commissioner may employ such qualified personnel
- 13 as are necessary for the enforcement of this chapter. Such
- 14 personnel shall be employed pursuant to chapter 8A, subchapter
- 15 IV.
- 16 4. The commissioner shall adopt rules pursuant to chapter
- 17 17A to administer this chapter.
- 18 Sec. 27. NEW SECTION. 95.12 Settlement of claims and suits
- 19 for wages.
- 20 1. Upon the written complaint by an employee of a
- 21 violation of this chapter, the commissioner may determine
- 22 whether the complaint may constitute an enforceable claim.
- 23 If for any reason the commissioner decides not to make such
- 24 determination, the commissioner shall so notify the complaining
- 25 employee within fourteen days of receipt of the complaint.
- 26 The commissioner shall otherwise notify the employee of
- 27 such determination within a reasonable time and if it is
- 28 determined that the complaint contains an enforceable claim,
- 29 the commissioner shall, with the consent of the complaining
- 30 employee, take an assignment in trust for the wages and for
- 31 any claim for liquidated damages without being bound by any of
- 32 the technical rules respecting the validity of the assignment.
- 33 However, the commissioner shall not accept a complaint after
- 34 one year from the date a violation occurred.
- 35 2. The commissioner, with the assistance of the office

- 1 of the attorney general if the commissioner requests such
- 2 assistance, shall, unless a settlement is reached under this
- 3 subsection, commence a civil action in any court of competent
- 4 jurisdiction to recover for the benefit of any employee
- 5 any claims that have been assigned to the commissioner for
- 6 recovery. The commissioner may also request reasonable and
- 7 necessary attorney fees. With the consent of the assigning
- 8 employee, the commissioner may also settle a claim on behalf
- 9 of the assigning employee. Proceedings under this subsection
- 10 and subsection 1 that precede commencement of a civil action
- 11 shall be conducted informally without any party having a right
- 12 to be heard before the commissioner. The commissioner may join
- 13 various assignments in one claim for the purpose of settling or
- 14 litigating claims.
- 15 3. The provisions of subsections 1 and 2 shall not be
- 16 construed to prevent an employee from settling or bringing a
- 17 civil action for damages under section 95.10 if the employee
- 18 has not assigned the claim under subsection 1.
- 19 4. A recovery of attorney fees, in the case of civil
- 20 actions brought under this section by the commissioner, shall
- 21 be remitted by the commissioner to the treasurer of state for
- 22 deposit in the general fund of the state. The commissioner
- 23 shall not be required to pay any filing fee or other court
- 24 costs.
- 25 Sec. 28. NEW SECTION. 95.13 Civil penalties.
- 26 l. An employer who violates the provisions of this chapter
- 27 or the rules adopted under it shall be subject to a civil
- 28 penalty of not more than five hundred dollars per pay period
- 29 for each violation. The commissioner may recover a civil
- 30 penalty according to the provisions of subsections 2 through
- 31 5. A civil penalty recovered shall be deposited in the general
- 32 fund of the state.
- 33 2. The commissioner may propose that an employer be assessed
- 34 a civil penalty by serving the employer with notice of such
- 35 proposal in the same manner as an original notice is served

- 1 under the rules of civil procedure. Upon service of such
- 2 notice, the proposed assessment shall be treated as a contested
- 3 case under chapter 17A, if the employer requests a hearing
- 4 within thirty days of being served.
- 5 3. If an employer does not request a hearing pursuant
- 6 to subsection 2 or if the commissioner determines, after an
- 7 appropriate hearing, that an employer is in violation of this
- 8 chapter, the commissioner shall assess a civil penalty under
- 9 subsection 1 which is rendered with due consideration for the
- 10 penalty amount in terms of the size of the employer's business,
- 11 the gravity of the violation, the good faith of the employer,
- 12 and the history of previous violations.
- 4. An employer may seek judicial review of any assessment
- 14 made under subsection 3 by instituting proceedings for judicial
- 15 review pursuant to chapter 17A. However, such proceedings must
- 16 be instituted in the district court of the county in which the
- 17 violation or one of the violations occurred and within thirty
- 18 days of the day on which the employer was notified that an
- 19 assessment was made. Also, an employer may be required, at
- 20 the discretion of the district court and upon instituting such
- 21 proceedings, to deposit the amount assessed with the clerk of
- 22 the district court. Any moneys so deposited shall either be
- 23 returned to the employer or be forwarded to the commissioner
- 24 for deposit in the general fund of the state, depending on the
- 25 outcome of the judicial review, including any appeal to the
- 26 supreme court.
- 27 5. After the time for seeking judicial review has expired
- 28 or after all judicial review has been exhausted and the
- 29 commissioner's assessment has been upheld, the commissioner
- 30 shall request the attorney general to recover the assessed
- 31 civil penalty in a civil action.
- 32 Sec. 29. NEW SECTION. 95.14 More generous policies
- 33 encouraged.
- 34 This chapter shall not be construed to discourage or
- 35 prohibit an employer from the adoption or retention of a policy

- 1 that meets or exceeds but does not otherwise conflict with the
- 2 minimum standards and requirements provided in this chapter.
- 3 Sec. 30. NEW SECTION. 95.15 Collective bargaining
- 4 agreements.
- 5 If any provision of this chapter conflicts with a provision
- 6 of an applicable collective bargaining agreement, the provision
- 7 of the collective bargaining agreement shall govern.
- 8 Sec. 31. NEW SECTION. 96A.1 Short title.
- 9 This chapter may be cited as the "Iowa Family and Medical
- 10 Leave Act".
- 11 Sec. 32. NEW SECTION. 96A.2 Definitions.
- 12 As used in this chapter, unless the context otherwise
- 13 requires:
- 14 1. "Child" means a biological, adopted, or foster child,
- 15 a stepchild, a legal ward, or a child of a person standing in
- 16 loco parentis, regardless of the child's age or dependency
- 17 status.
- 18 2. "Covered employer" means a private sector employer who
- 19 has ten or more employees for each working day during each of
- 20 twenty or more calendar workweeks in the current or previous
- 21 calendar year and a public employer without regard to the
- 22 number of employees employed.
- 3. "Department" means the department of workforce
- 24 development.
- 25 4. "Director" means the director of the department of
- 26 workforce development.
- 27 5. "Employee" means the same as defined in section 91A.2.
- 28 "Employee" does not include an independent contractor, a self-
- 29 employed person, or a patient or inmate employed by a state
- 30 or local institution to which the patient or inmate has been
- 31 sentenced or committed.
- 32 6. "Employer" means the same as defined in 91A.2.
- 33 "Employer" includes a temporary staffing agency or employment
- 34 agency.
- 35 7. "Employment benefits" means all benefits provided or

- 1 made available to an employee by an employer, including group
- 2 life insurance, health insurance, disability insurance, sick
- 3 leave, annual leave, educational benefits, and pensions except
- 4 benefits that are provided by a practice or written policy of
- 5 an employer or through an employee benefit plan as defined in
- 6 29 U.S.C. §1002(3).
- 7 8. "Family leave" means a leave taken from work by an
- 8 employee for any of the following reasons:
- 9 a. To participate in providing care, including physical or
- 10 psychological care, for a family member of the employee made
- 11 necessary by a serious health condition of the family member.
- 12 b. To bond with the employee's child after the child's
- 13 birth or with a child under the age of eighteen placed with the
- 14 employee for adoption or foster care.
- 15 c. Because of a qualifying exigency for a family member as
- 16 permitted under the federal Family and Medical Leave Act of
- 17 1993, as amended, and federal regulations as provided in 29
- 18 C.F.R. §825.126.
- 19 9. "Family member" means a child, parent, or spouse of an
- 20 employee.
- 21 10. "Gross earnings" means the same as defined in section
- 22 85.61.
- 23 11. "Health care provider" means a physician or other
- 24 health care practitioner licensed, accredited, registered, or
- 25 certified to perform specified health care services consistent
- 26 with state law.
- 27 12. "In loco parentis" means an individual who has
- 28 day-to-day responsibilities to care for or financially support
- 29 a child.
- 30 13. "Inpatient care" means an overnight stay in a hospital,
- 31 hospice, or residential medical care facility, including any
- 32 period of incapacity, or any subsequent treatment in connection
- 33 with such inpatient care.
- 34 14. "Medical leave" means a leave from work taken by an
- 35 employee made necessary by the employee's own serious health

- 1 condition.
- 2 15. "Parent" means a biological, adoptive, step, or foster
- 3 father or mother, or any other individual who stands in
- 4 loco parentis to an employee or who stood in loco parentis
- 5 when the employee was a child. "Parent" does not include a
- 6 parent-in-law.
- 7 16. "Period of incapacity" means an inability to work,
- 8 attend school, or perform other regular daily activities due
- 9 to a serious health condition, treatment of a serious health
- 10 condition, or recovery from a serious health condition.
- 11 17. "Premium" or "premiums" means the payments required by
- 12 section 96A.12 and paid to the department for deposit in the
- 13 family and medical leave insurance account pursuant to section
- 14 96A.22.
- 15 18. "Public employer" means the state of Iowa, its
- 16 boards, commissions, agencies, departments, and its political
- 17 subdivisions including school districts and other special
- 18 purpose districts.
- 19 19. "Serious health condition" means an illness, injury,
- 20 impairment, physical condition, or mental condition that
- 21 involves inpatient care in a hospital, hospice, medical care
- 22 facility, or continued treatment or continuing supervision by
- 23 a health care provider.
- 24 20. "Spendable weekly earnings" means the amount remaining
- 25 after payroll taxes are deducted from an employee's gross
- 26 weekly earnings.
- 27 21. "Spouse" means the person with whom an individual has
- 28 entered into marriage as defined or recognized under state law
- 29 for purposes of marriage in the state in which the marriage
- 30 was entered into or, in the case of a marriage entered into
- 31 outside of any state, if the marriage is valid in the place
- 32 where the marriage was entered into and the marriage could have
- 33 been entered into in at least one state, including a same sex
- 34 or common law marriage.
- 35 22. "Wages" means the same as defined in section 91A.2.

- 1 Sec. 33. NEW SECTION. 96A.3 Benefit eligibility.
- 2 An employee is eligible for family leave and medical leave
- 3 as provided in this chapter after working for a covered
- 4 employer for both a minimum of twelve consecutive months
- 5 immediately preceding the employee's request for leave and a
- 6 minimum of one thousand two hundred fifty hours during that
- 7 twelve-consecutive-month period.
- 8 Sec. 34. NEW SECTION. 96A.4 Leave entitlement for a defined
- 9 twelve-month period.
- 10 l. An employee is entitled to a maximum of twelve weeks
- 11 of family leave during a defined period of twelve consecutive
- 12 months.
- 2. An employee is entitled to a maximum of twelve weeks of
- 14 medical leave during a defined period of twelve consecutive
- 15 months unless the employee experiences a serious health
- 16 condition, which is pregnancy-related, that results in a longer
- 17 period of incapacity in which case any extended medical leave
- 18 beyond twelve weeks shall conform with section 216.6.
- 19 3. An employee is entitled to a maximum combined total of
- 20 paid family leave and medical leave of sixteen weeks during a
- 21 defined period of twelve consecutive months.
- 22 4. An employee is not entitled to family leave or medical
- 23 leave of less than eight consecutive hours.
- 24 Sec. 35. NEW SECTION. 96A.5 Calculating the defined
- 25 twelve-month period.
- 26 The defined period of twelve consecutive months for
- 27 calculation of an eligible employee's family leave or medical
- 28 leave entitlement begins on any of the following:
- 29 1. The date of birth of an employee's child or the date
- 30 of placement of a child for adoption or foster care with the
- 31 employee.
- 32 2. The first day of family leave that an employee takes for
- 33 a family member's serious health condition or a family member's
- 34 qualifying exigency.
- 35 3. The first day of medical leave.

- 1 Sec. 36. <u>NEW SECTION</u>. **96A.6** Disqualification from leave
- 2 entitlement.
- 3 An eligible employee is disqualified for family leave or
- 4 medical leave benefits under this chapter for any of the
- 5 following:
- 6 l. An absence due to the employee's willful intention to
- 7 injure or cause a sickness to the employee or to the employee's
- 8 family member.
- 9 2. An injury or sickness caused by the employee engaging in
- 10 an illegal act.
- 11 3. The employee's absence due to an employer taking any
- 12 disciplinary action against the employee.
- 13 Sec. 37. NEW SECTION. 96A.7 Employee notice to employer
- 14 of intent to take leave.
- 15 l. If leave for the birth of a child or placement of a child
- 16 for adoption or foster care with an employee is foreseeable,
- 17 the employee shall provide written notice not less than thirty
- 18 calendar days before the date the leave is to begin.
- 19 2. If the birth of a child or placement of a child for
- 20 adoption or foster care with an employee requires leave to
- 21 begin in less than thirty calendar days, the employee shall
- 22 provide written notice as far in advance as is practicable.
- 23 3. If leave for a family member's serious health condition
- 24 or an employee's serious health condition is foreseeable based
- 25 on planned medical treatment, the employee shall do all of the
- 26 following:
- 27 a. Make a reasonable effort to schedule such medical
- 28 treatment, subject to the recommendation of the employee's or
- 29 family member's health care provider as appropriate, to not
- 30 unduly disrupt the operations of the employer.
- 31 b. Provide the employer with not less than thirty calendar
- 32 days prior written notice of the employee's intention to take
- 33 leave for a family member's serious health condition or the
- 34 employee's serious health condition.
- 35 4. If leave for a family member's serious health condition

- 1 or an employee's serious health condition is not foreseeable,
- 2 the employee shall provide written notice as far in advance as
- 3 is practicable.
- 4 Sec. 38. NEW SECTION. 96A.8 Weekly claim, certification,
- 5 and verification.
- 6 Beginning January 1, 2025, family leave or medical leave
- 7 insurance benefits are payable to an employee during a period
- 8 in which the employee is unable to perform the employee's
- 9 regular or customary work because the employee is on family
- 10 leave or medical leave if the employee meets all of the
- 11 following requirements:
- 12 l. The employee files a weekly claim for benefits with the
- 13 department as required per rules adopted by the director.
- 2. The employee meets the eligibility requirements pursuant
- 15 to section 96A.3 or the elective coverage requirements pursuant
- 16 to section 96A.14.
- 3. The employee consents to the disclosure of information or
- 18 records that may be deemed private or confidential under state
- 19 or federal law. Disclosure of such information and records by
- 20 another state agency or an employer to the department shall
- 21 be solely for purposes related to the administration of this
- 22 chapter. Information and records disclosed by an employee
- 23 under this chapter shall not be public records as defined in
- 24 section 22.1.
- 25 4. The employee authorizes the health care provider of the
- 26 employee's family member or of the employee, as applicable, to
- 27 complete a certification of a serious health condition in a
- 28 form as required by the director.
- 29 5. The employee attests that written notice has been
- 30 provided to the employee's employer per section 96A.7.
- 31 6. The employee provides documentation of a family member's
- 32 qualifying exigency if requested by the employee's employer.
- 33 Sec. 39. NEW SECTION. 96A.9 Waiting period for leave
- 34 benefits.
- 35 Family leave or medical leave insurance benefits shall be

- 1 payable to an eligible employee following a waiting period
- 2 consisting of the first seven calendar days of leave. However,
- 3 no such waiting period applies to a leave for the birth or
- 4 placement of a child with an eligible employee.
- 5 Sec. 40. NEW SECTION. 96A.10 Weekly leave benefit amount.
- 6 l. The basis for the calculation of a leave benefit amount
- 7 shall be the weekly earnings of an eligible employee on the
- 8 day the leave is granted. "Weekly earnings" means the gross
- 9 earnings of an employee to which such employee would have been
- 10 entitled had the employee worked the employee's customary hours
- 11 for the full pay period in which the employee is on family
- 12 leave or medical leave. Weekly earnings shall be computed as
- 13 follows, rounded to the nearest dollar, for an employee who is
- 14 paid on the following basis:
- 15 a. On a weekly pay period basis, the weekly earnings are the
- 16 weekly gross earnings.
- 17 b. On a biweekly pay period basis, the weekly earnings are
- 18 one-half of the biweekly gross earnings.
- 19 c. On a semimonthly pay period basis, the weekly earnings
- 20 are the semimonthly gross earnings multiplied by twenty-four
- 21 and then divided by fifty-two.
- 22 d. On a monthly pay period basis, the weekly earnings
- 23 are the monthly gross earnings multiplied by twelve and then
- 24 divided by fifty-two.
- 25 e. On a yearly pay period basis, the weekly earnings shall
- 26 be the yearly earnings divided by fifty-two.
- 27 f. On a daily or hourly basis, or by the output of an
- 28 employee, the weekly earnings shall be computed by dividing by
- 29 thirteen the earnings, including shift differential pay but
- 30 not including overtime or premium pay, of the employee earned
- 31 in the last completed period of thirteen consecutive calendar
- 32 weeks immediately preceding the start day of the leave. If
- 33 the employee was absent from employment for personal reasons
- 34 during part of the thirteen calendar weeks preceding the
- 35 leave, the employee's weekly earnings shall be the amount the

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- 1 employee would have earned had the employee worked when work
- 2 was available to other employees of the employer in a similar
- 3 occupation. A week that does not fairly reflect the employee's
- 4 customary earnings shall be replaced by the closest previous
- 5 week with earnings that fairly represent the employee's
- 6 customary earnings.
- 7 2. If on the date that leave begins an employee's hourly
- 8 earnings cannot be ascertained, the earnings for the purpose
- 9 of calculating the benefit amount shall be the usual earnings
- 10 for similar services where such services are rendered by paid
- 11 employees.
- 12 3. If an employee earns either no wages or less than the
- 13 usual weekly earnings of a regular full-time adult laborer
- 14 in the line of work in which the employee is working in
- 15 that locality, the weekly earnings shall be one-fiftieth of
- 16 the total earnings which the employee has earned from all
- 17 employment during the twelve consecutive calendar months
- 18 immediately preceding the date that the employee's leave
- 19 begins.
- 20 4. The weekly leave benefit amount payable to an employee
- 21 for any one week shall be eighty percent of the employee's
- 22 spendable weekly earnings, but shall not exceed an amount equal
- 23 to two hundred percent of the statewide average weekly wage
- 24 paid to employees as determined by the department pursuant to
- 25 section 96.19 and in effect on the date that the employee's
- 26 leave commences. However, the weekly leave benefit amount
- 27 shall be a minimum equal to the lesser of the weekly leave
- 28 benefit amount of a person whose gross weekly earnings are
- 29 thirty-five percent of the statewide average weekly wage, or to
- 30 the spendable weekly earnings of the employee.
- 31 Sec. 41. NEW SECTION. 96A.11 Payment of benefits to an
- 32 eligible employee.
- 33 1. The department shall send the first benefit payment to
- 34 an employee within ten calendar days after the first properly
- 35 completed weekly claim from the employee is received by

- 1 the department. Subsequent payments shall be sent at least
- 2 biweekly to an eligible employee if a properly completed weekly
- 3 claim from the employee is received by the department.
- 4 2. If an employer contests an employee's initial claim
- 5 for family leave or medical leave benefits, the employer must
- 6 notify the employee and the department in the manner prescribed
- 7 by the director within ten calendar days of the employer's
- 8 receipt of notice from the department of the employee's filing
- 9 of a claim for benefits pursuant to section 96A.21, subsection
- 10 3. Failure to timely contest an initial application shall
- ll constitute a waiver of objection to the family leave or medical
- 12 leave claim.
- 3. If the department or the employer contests an employee's
- 14 eligibility for benefits after the employee begins receiving
- 15 benefits the employee shall continue to be paid benefits
- 16 conditionally for any weeks for which the employee files a
- 17 claim for benefits. The employee's right to retain such
- 18 benefit payments shall be conditioned upon the department's
- 19 finding that the employee is eligible for such benefit
- 20 payments.
- 21 a. At an employee's request, the department shall hold
- 22 conditional benefit payments until the department resolves the
- 23 employee's eligibility status.
- 24 b. Payment shall be issued promptly for any withheld benefit
- 25 payments if the department determines that an employee is
- 26 eligible for benefits.
- 27 c. If the department determines that an employee is
- 28 ineligible for the conditionally paid benefits, the employee
- 29 shall repay the overpayment per rules as adopted by the
- 30 director.
- 31 Sec. 42. NEW SECTION. 96A.12 Funding the family leave and
- 32 medical leave insurance program.
- 33 1. Beginning on January 1, 2023, and ending December
- 34 31, 2024, the department shall assess for each employee
- 35 in employment with a covered employer a premium rate of

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- 1 four-tenths of one percent of an employee's wages based on the
- 2 amount of the individual's wages, subject to subsection 6.
- 3 a. The premium rate for family leave benefits shall be equal
- 4 to one-third of the total premium rate.
- 5 b. The premium rate for medical leave benefits shall be
- 6 equal to two-thirds of the total premium rate.
- 7 2. For calendar year 2025 and subsequent calendar years the
- 8 director shall determine the percentage of paid claims related
- 9 to family leave benefits and the percentage of paid claims
- 10 related to medical leave benefits and adjust the premium rates
- 11 set in subsection 1 by the proportional share of claims paid
- 12 for both types of leave.
- 3. For family leave premiums a covered employer may deduct
- 14 up to forty-five percent of the full amount of the required
- 15 premiums from the wages of each employee. The remaining
- 16 fifty-five percent of the required premiums shall be paid by
- 17 the covered employer.
- 18 4. For medical leave premiums a covered employer may deduct
- 19 up to forty-five percent of the full amount of the required
- 20 premiums from the wages of each employee. The remaining
- 21 fifty-five percent of the required premiums shall be paid by
- 22 the covered employer.
- 23 5. A covered employer may elect to pay all or any portion of
- 24 the employee's share of the premiums for family leave benefits
- 25 or medical leave benefits or both.
- 26 6. The director shall annually set a maximum limit on the
- 27 amount of an employee's wages that are subject to a premium
- 28 assessment under this section that is equal to the contribution
- 29 and benefit base for the calendar year as determined by the
- 30 United States social security administration for purposes of
- 31 26 U.S.C. §3121(a).
- For calendar year 2025 and subsequent calendar years,
- 33 the total premium rate shall be based on the family leave and
- 34 medical leave insurance account balance ratio as of September
- 35 30 of the previous year. The director shall calculate the

- 1 account balance ratio by dividing the balance of the family
- 2 leave and medical leave insurance account by the total wages
- 3 paid by covered employers. The division shall be carried
- 4 to the fourth decimal place with the remaining fraction
- 5 disregarded unless it amounts to five hundred thousandths or
- 6 more in which case the fourth decimal place shall be rounded
- 7 to the next higher digit. If the family leave and medical
- 8 leave insurance account balance ratio is any of the following
- 9 percentages, the premium shall be the following percentage of
- 10 an employee's wages subject to a premium assessment:
- 11 a. If the ratio is zero to nine hundredths of one percent,
- 12 the premium shall be six-tenths of one percent.
- 13 b. If the ratio is one-tenth of one percent to nineteen
- 14 hundredths of one percent, the premium shall be five-tenths of
- 15 one percent.
- 16 c. If the ratio is two-tenths of one percent to twenty-nine
- 17 hundredths of one percent, the premium shall be four-tenths of
- 18 one percent.
- 19 d. If the ratio is three-tenths of one percent to
- 20 thirty-nine hundredths of one percent, the premium shall be
- 21 three-tenths of one percent.
- 22 e. If the ratio is four-tenths of one percent to forty-nine
- 23 hundredths of one percent, the premium shall be two-tenths of
- 24 one percent.
- 25 f. If the ratio is five-tenths of one percent or greater,
- 26 the premium shall be one-tenth of one percent.
- 27 8. Beginning January 1, 2025, if the account balance ratio
- 28 calculated in subsection 7 is below five hundredths of one
- 29 percent, the director shall assess a solvency surcharge at
- 30 the lowest rate necessary to provide revenue to pay for the
- 31 administrative and benefit costs of family leave and medical
- 32 leave insurance for the calendar year. The solvency surcharge
- 33 shall be at least one-tenth of one percent and no more than
- 34 six-tenths of one percent and shall be added to the total
- 35 premium rate assessed to each employee of a covered employer

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- 1 for family leave and medical leave benefits.
- A covered employer shall collect all required premiums
- 3 and surcharges from the employer's employees through payroll
- 4 deductions and shall remit the amount collected and the amount
- 5 to be paid by the employer to the department as required by
- 6 rules adopted by the director.
- 7 10. On September 30 of each year the department shall
- 8 average the number of employees reported by an employer over
- 9 the last four completed calendar quarters to determine the
- 10 number of employees employed by the employer for the purpose
- 11 of determining if an employer shall be considered a covered
- 12 employer for the next calendar year.
- 13 Sec. 43. NEW SECTION. 96A.13 Waiver of premium for
- 14 out-of-state employee.
- 1. An employer may file an application with the department
- 16 for a conditional waiver of the payment of family leave and
- 17 medical leave premiums assessed under section 96A.12 for an
- 18 employee who meets all of the following requirements:
- 19 a. The employee is physically based outside of the state.
- 20 b. The employee is physically working in the state on a
- 21 limited or temporary work schedule.
- 22 c. The employee is not expected to be physically working
- 23 in the state for one thousand two hundred fifty hours or more
- 24 during any consecutive twelve-month period.
- 25 2. The department shall approve an application that is
- 26 signed by both the employee and the employee's employer
- 27 attesting to compliance with the requirements of subsection 1.
- 28 3. If the employee physically works in the state for one
- 29 thousand two hundred fifty hours or more in any consecutive
- 30 twelve-month period, the conditional waiver shall expire and
- 31 the employer and employee shall be responsible for all premiums
- 32 pursuant to section 96A.12 for the consecutive twelve-month
- 33 period in which the employee worked one thousand two hundred
- 34 fifty hours or more. Upon submission of the premiums by the
- 35 employer to the department, the employee shall be credited for

- 1 the hours worked during that consecutive twelve-month period
- 2 and shall be eligible for benefits under this chapter.
- 3 Sec. 44. NEW SECTION. 96A.14 Self-employed persons elective
- 4 participation in the family leave and medical leave insurance
- 5 program.
- 6 l. A self-employed person electing to participate in the
- 7 family leave and medical leave insurance program shall be
- 8 considered either an employer or employee under this chapter as
- 9 the context so dictates.
- 2. For benefits payable beginning January 1, 2025, a
- 11 self-employed person may elect to participate in the family
- 12 leave and medical leave insurance program under this chapter
- 13 if the self-employed person meets all of the following
- 14 requirements:
- 15 a. The initial participation period for the self-employed
- 16 person must be a minimum of three years.
- 17 b. Any subsequent period of participation by the
- 18 self-employed person must be for a minimum of one year.
- 19  $\,$  The self-employed person must participate in both family
- 20 leave and medical leave.
- 21 d. One hundred percent of all premiums assessed under
- 22 section 96A.12 shall be paid by the self-employed person.
- 23 3. A self-employed person shall file a written notice of
- 24 election of elective coverage with the department in the manner
- 25 required by the director.
- 26 4. A self-employed person shall be eligible for
- 27 family leave and medical leave benefits after working one
- 28 thousand two hundred fifty hours in the state during the
- 29 twelve-consecutive-month period immediately following the date
- 30 of the written notice the self-employed person filed pursuant
- 31 to subsection 3.
- 32 5. A self-employed person who has elected coverage may
- 33 withdraw from coverage within thirty calendar days after the
- 34 end of each participation period pursuant to subsection 2,
- 35 paragraph "a" or "b", by filing a written notice of withdrawal

- 1 as required by the director. The withdrawal shall take effect
- 2 no sooner than thirty calendar days after the self-employed
- 3 person files the notice of withdrawal.
- 4 6. If a self-employed person fails to submit the required
- 5 premium payments, the department may cancel the person's
- 6 elective coverage. The cancellation shall be effective no
- 7 sooner than thirty days from the date of a written notice
- 8 from the department to the self-employed person advising the
- 9 self-employed person of the impending cancellation of the
- 10 self-employed person's elective coverage. The department shall
- 11 collect all due and unpaid premiums from the self-employed
- 12 person for the remainder of the participation period pursuant
- 13 to subsection 2, paragraph "a" or "b".
- 14 Sec. 45. NEW SECTION. 96A.15 Employment protection.
- 15 l. An eligible employee who takes family leave or medical
- 16 leave under this chapter is entitled to any of the following on
- 17 the employee's return from leave:
- 18 a. To be restored to the same position held by the employee
- 19 when the employee's leave commenced.
- 20 b. To be restored to an equivalent position with equivalent
- 21 employment benefits, pay, and other terms and conditions of
- 22 employment.
- 23 2. As a condition of restoration under subsection 1 for an
- 24 employee who has taken medical leave, the employer may apply
- 25 a uniform policy to the employee that requires an employee to
- 26 provide certification from the employee's health care provider
- 27 that the employee is able to resume work.
- 28 3. Taking leave under this chapter shall not result in the
- 29 loss of any employment benefits accrued by an employee prior to
- 30 the date on which the employee's leave commenced.
- 31 4. This section shall not be construed to entitle a restored
- 32 employee to any of the following:
- 33 a. The accrual of any seniority or employment benefits
- 34 during any period of leave.
- 35 b. Any right, benefit, or position of employment other than

- 1 any right, benefit, or position of employment to which the
- 2 employee would have been entitled had the employee not taken
- 3 leave.
- 4 5. This section shall not be construed to prohibit an
- 5 employer from requiring an employee on leave to report
- 6 periodically to the employer on the status and intention of the
- 7 employee to return to work.
- 8 6. An employer may deny restoration under this section to
- 9 a salaried employee who is among the ten percent highest-paid
- 10 employees employed by the employer within seventy-five miles
- 11 of the facility at which the employee is employed if all of the
- 12 following apply:
- a. Denial of restoration is necessary to prevent substantial
- 14 and grievous economic injury to the operations of the employer.
- 15 b. The employer notifies the employee of the intent of the
- 16 employer to deny restoration on such basis at the time the
- 17 employer determines such basis exists.
- 18 c. The employee is on leave and elects not to return
- 19 to employment after receiving the employer's notice of the
- 20 employer's intent not to restore the employee.
- 21 7. This section shall not be construed as providing an
- 22 employee greater restoration rights than those required under
- 23 the federal Family and Medical Leave Act of 1993, as amended.
- 24 Sec. 46. NEW SECTION. 96A.16 Maintenance of existing health
- 25 benefits.
- 26 If required by the federal Family and Medical Leave
- 27 Act of 1993, as amended, an employer shall maintain any
- 28 existing health benefits of an employee for the duration of
- 29 an employee's leave under this chapter. If the employer and
- 30 the employee normally share the cost of such existing health
- 31 benefits, the employee shall remain responsible for the
- 32 employee's share of the cost of such.
- 33 Sec. 47. NEW SECTION. 96A.17 Employer submission of reports
- 34 and maintenance of records.
- 35 1. As specified by the director and in the form and at the

- 1 time as required by the director, an employer shall submit
- 2 reports and furnish information related to the family leave and
- 3 medical leave insurance program to the director.
- 4 2. An employer shall maintain at the employer's primary
- 5 place of business a record of employment for each employee from
- 6 which any information needed by the department for purposes of
- 7 this chapter may be obtained. Such record shall be maintained
- 8 for ten years from the date on which an eligible employee
- 9 applies for family leave or medical leave under this chapter.
- 10 The record shall be open for inspection by the director at all
- 11 times. All personnel and employee medical records shall be
- 12 maintained by the employer in compliance with all applicable
- 13 federal and state laws.
- 14 Sec. 48. NEW SECTION. 96A.18 Coordination of family leave
- 15 and medical leave with other laws and with employer policies.
- 16 l. Family leave or medical leave taken by an employee under
- 17 this chapter shall be in addition to any leave available to
- 18 an employee as required by applicable state or federal law
- 19 for sickness or temporary disability because of pregnancy or
- 20 childbirth.
- 21 2. Family leave or medical leave taken by an employee under
- 22 this chapter shall be taken concurrently with any leave taken
- 23 under the federal Family and Medical Leave Act of 1993, as
- 24 amended.
- 25 3. An employer may allow an employee who has accrued
- 26 vacation, sick, or other paid time off to choose to use either
- 27 such accrued time or to receive paid family leave or medical
- 28 leave insurance benefits under this chapter.
- 29 Sec. 49. NEW SECTION. 96A.19 Relationship to other state
- 30 and federal benefits.
- 31 In any week an employee is eligible to receive benefits under
- 32 chapter 85, 85A, 85B, or 96, or any other applicable state or
- 33 federal unemployment compensation, workers' compensation, or
- 34 disability insurance laws, the employee is disqualified from
- 35 receiving family leave or medical leave insurance benefits

- 1 under this chapter.
- 2 Sec. 50. NEW SECTION. 96A.20 Discrimination prohibited.
- 3 This chapter shall not be construed to modify or affect any
- 4 federal, state, or local law prohibiting discrimination on the
- 5 basis of age, race, creed, color, sex, sexual orientation,
- 6 gender identity, national origin, religion, disability, or
- 7 other protected category.
- 8 Sec. 51. NEW SECTION. 96A.21 Department to administer
- 9 family leave and medical leave insurance program and conduct
- 10 outreach.
- 11 1. The director shall establish and administer the family
- 12 leave and medical leave insurance program and disburse family
- 13 leave and medical leave benefits to an eligible employee as
- 14 specified in this chapter.
- 15 2. The director shall establish procedures and forms for
- 16 an employee to file an application for benefits under this
- 17 chapter.
- 18 3. The department shall notify an employer within five
- 19 business days of an employee filing a claim for family leave or
- 20 medical leave insurance benefits.
- 21 4. Information and records pertaining to an employee under
- 22 this chapter that are maintained by the department shall
- 23 be confidential and shall only be available to department
- 24 personnel in the performance of official duties.
- 25 5. The director shall develop and implement an outreach
- 26 program to ensure that employers and employees are aware of
- 27 the family leave and medical leave insurance program and are
- 28 aware of the leave benefits available to eligible employees.
- 29 Outreach information shall explain in an easy-to-understand
- 30 format all of the following:
- 31 a. Eligibility requirements.
- 32 b. The application process.
- 33 c. How weekly benefits are calculated and the minimum and
- 34 maximum weekly benefit amount.
- 35 d. Restoration rights.

- 1 e. Nondiscrimination rights.
- 2 f. Confidentiality.
- g. The relationship between employment protection, leave
- 4 from employment, wage replacement benefits under this chapter
- 5 and other laws, and employer policies.
- 6 6. The department shall be authorized to inspect and audit
- 7 an employer's files and records relating to the family leave
- 8 and medical leave insurance program under this chapter.
- 9 Sec. 52. <u>NEW SECTION</u>. **96A.22** Family leave and medical leave
- 10 insurance account.
- 11 1. The family leave and medical leave insurance account
- 12 is created as a separate account in the state treasury in the
- 13 custody of the treasurer of state.
- 2. The director shall deposit all receipts from premiums
- 15 imposed under this chapter into such account. Expenditures
- 16 from the account shall be used only for the purposes of the
- 17 family leave and medical leave insurance program and only as
- 18 authorized by the director.
- 19 3. All premiums deposited in the account shall remain in
- 20 the account until expended pursuant to the requirements of this
- 21 chapter.
- 22 Sec. 53. NEW SECTION. 96A.23 Rules.
- 23 The director shall adopt rules pursuant to chapter 17A to
- 24 administer this chapter.
- 25 Sec. 54. NEW SECTION. 96A.24 Enforcement.
- 26 The director may take any action under the director's
- 27 authority to enforce compliance with this chapter.
- 28 Sec. 55. DIRECTOR ANALYSIS OF FUNDING THE FAMILY LEAVE
- 29 AND MEDICAL LEAVE INSURANCE PROGRAM AND REPORT TO THE GENERAL
- 30 ASSEMBLY. The director of the department of workforce
- 31 development shall conduct an analysis of the family leave
- 32 and medical leave insurance program as funded pursuant to
- 33 section 96A.12, as enacted in this Act, and of the benefits
- 34 paid pursuant to section 96A.10, as enacted in this Act. The
- 35 director shall determine if the premium rates and benefit

- 1 levels are appropriate to fully fund and maintain the solvency
- 2 of the family leave and medical leave insurance account. The
- 3 director shall submit the director's findings in a report to
- 4 the general assembly and the governor no later than January 11,
- 5 2021.
- 6 Sec. 56. APPLICABILITY.
- 7 l. This Act applies to collective bargaining agreements
- 8 entered into on or after the effective date of this Act.
- 9 2. For an employee hired prior to the effective date of
- 10 this Act, paid sick leave required pursuant to chapter 94, as
- 11 enacted by this Act, shall begin to accrue on the effective
- 12 date of this Act. For an employee hired on or after the
- 13 effective date of this Act, paid sick leave required pursuant
- 14 to this Act shall begin to accrue on the service employee's
- 15 date of hire.
- 16 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 19 This bill provides for paid sick leave and scheduling
- 20 procedures for employees and establishes a family leave and
- 21 medical leave insurance program.
- 22 PAID SICK LEAVE. The bill requires an employer to provide
- 23 paid sick leave annually to each employee employed by the
- 24 employer. The leave shall accrue at a rate of one hour of leave
- 25 for each 56 hours worked by an employee, up to a maximum of 56
- 26 hours per calendar year. An employee shall not be entitled to
- 27 use more than 56 accrued hours of paid sick leave per year.
- 28 Fifty-six unused accrued hours of paid sick leave can be
- 29 carried over from one calendar year to the following calendar
- 30 year. An employee shall begin to accrue paid sick leave on
- 31 the first day of the employee's employment by an employer. An
- 32 employee may use accrued paid sick leave beginning 60 calendar
- 33 days after the first day of the employee's employment by an
- 34 employer. An employer shall pay an employee for accrued paid
- 35 sick leave at a pay rate equal to the normal hourly wage for

- 1 that employee. However, an employer who employs 15 or less
- 2 employees in Iowa may instead provide an employee with unpaid
- 3 leave or leave paid at a rate less than the normal hourly wage
- 4 for that employee.
- 5 The bill defines "employee" as an individual who is employed
- 6 in Iowa for compensation by an employer. The bill defines
- 7 "employer" as any person that employs employees in Iowa.
- 8 The bill provides permitted uses of accrued paid sick leave,
- 9 including medical diagnosis, care, or treatment of mental
- 10 illness or physical illness, injury, or a health condition
- 11 of an employee or the employee's spouse or child, as well as
- 12 additional uses for an employee who is a victim of domestic
- 13 abuse or sexual assault.
- 14 The bill permits an employer to require advance notice of an
- 15 employee's intent to use accrued paid sick leave and, for leave
- 16 of three or more consecutive days, reasonable documentation
- 17 that such leave is being taken for the purposes permitted by
- 18 the bill.
- 19 The bill requires an employer to provide notice to an
- 20 employee at the time of hiring of the rights provided by the
- 21 bill. An employer may satisfy the requirement by displaying a
- 22 poster at the employer's place of business that contains the
- 23 required information.
- 24 The bill provides for the reinstatement of unused accrued
- 25 paid sick leave if an employee whose employment is terminated
- 26 is rehired by the employer within one calendar year.
- 27 The bill prohibits an employer from retaliating or in any
- 28 other manner discriminating against an employee because the
- 29 employee has requested or used paid sick leave or filed a
- 30 complaint with the labor commissioner alleging the employer's
- 31 violation of the bill or has cooperated in filing such a
- 32 complaint.
- 33 The bill permits an employee to file a complaint with the
- 34 commissioner alleging a violation of the bill. Upon receipt
- 35 of the complaint, the commissioner shall investigate to the

- 1 extent deemed appropriate. If the commissioner determines
- 2 that the provisions of the bill have been violated, the
- 3 commissioner shall bring an action in district court. The
- 4 district court shall have jurisdiction, for cause shown, to
- 5 restrain violations of the bill and order appropriate relief,
- 6 including payment for accrued paid sick leave used by the
- 7 employee or rehiring or reinstatement of the employee to the
- 8 former position with back pay.
- 9 An employer who violates the prohibition against retaliation
- 10 or other discrimination in the bill is subject to a civil
- 11 penalty of not more than \$500 per violation. An employer who
- 12 violates any other provision of the bill is subject to a civil
- 13 penalty of not more than \$100 per violation. The bill provides
- 14 procedures for the imposition, contestation, and collection of
- 15 such penalties.
- The bill does not prohibit an employer from providing more
- 17 paid sick leave than required by the bill, allowing donation of
- 18 unused accrued paid sick leave from one employee to another, or
- 19 taking disciplinary action against an employee who uses accrued
- 20 paid sick leave under the bill for purposes other than those
- 21 provided in the bill.
- 22 For an employee hired prior to the effective date of the
- 23 bill, paid sick leave shall begin to accrue on the effective
- 24 date of the bill. For an employee hired on or after the
- 25 effective date of the bill, paid sick leave shall begin to
- 26 accrue on the employee's date of hire.
- 27 EMPLOYEE SCHEDULING. The bill requires an employer to
- 28 provide each employee an initial written work schedule at least
- 29 21 days before the first day of the period covered by the work
- 30 schedule. The bill requires an employer to notify an employee
- 31 of any change in the employee's work schedule before the change
- 32 takes effect and provide the employee with a revised written
- 33 work schedule reflecting any change within 24 hours of making
- 34 the change. The bill prohibits an employer from requiring an
- 35 employee to work hours not included in the employee's initial

- 1 written work schedule without written consent in advance
- 2 from the employee. The bill requires an employer to provide
- 3 an employee with a written work schedule for the employee's
- 4 first 21 days of employment on or before the first day of the
- 5 employee's employment.
- 6 The bill requires an employer to post a written schedule
- 7 that includes the shifts of each current employee at a worksite
- 8 at least 21 days before the start of each work week and to
- 9 update the posted schedule within 24 hours of any change to the
- 10 schedule. The bill requires an employer to begin an employee's
- 11 work week on the same day of each week, unless the employer
- 12 provides written notice of a change in the start day of the
- 13 work week 21 days in advance.
- 14 The bill prohibits an employer from requiring an employee to
- 15 seek or find a replacement employee for any shifts or hours an
- 16 employee is unable to work.
- 17 The bill permits an employee to request a change in work
- 18 schedule, request to limit the employee's availability to
- 19 work particular hours, or otherwise provide input into the
- 20 employee's work schedule.
- 21 The bill permits an employee to submit a written request
- 22 to an employer for a flexible working arrangement at any
- 23 time. The bill defines "flexible working arrangement" as a
- 24 change in an employee's terms and conditions of employment
- 25 with respect to work schedule, including but not limited to a
- 26 modified work schedule; changes in start or end times in a work
- 27 schedule or work shift; a predictable, stable work schedule;
- 28 part-time employment; job sharing arrangements; working from
- 29 home; telecommuting; limitations on the employee's availability
- 30 to work; changes in the location of the employee's worksite;
- 31 reduction or change in work duties; or part-year employment.
- 32 The bill requires an employer to consider an employee's
- 33 request for a flexible working arrangement in good faith and
- 34 engage in an interactive process with the employee to determine
- 35 whether the request can be granted in a manner consistent with

1 the employer's business operations and legal or contractual 2 obligations. The bill requires the employer to initiate the 3 interactive process within two days of receiving the request. 4 The bill permits an employer to request additional information 5 from the employee regarding the request. The bill requires the employer to notify the employee 7 in writing of the employer's decision regarding a flexible 8 working arrangement within two days of the employer's last 9 communication with the employee during the interactive process. 10 The bill requires an employer to grant an employee a flexible 11 working arrangement if the employee requests a flexible working 12 arrangement for one of several reasons set out in the bill 13 relating to medical conditions, caregiver responsibilities, 14 training, and part-time employment and provides documentation 15 of the reason to the employer. 16 The bill permits an employer to make certain changes set out 17 in the bill to an employee's shift if the employer pays the 18 affected employee one hour of predictability pay in addition 19 to wages earned for each affected shift. The bill requires 20 an employer to pay the employee the lesser of four hours of 21 predictability pay or predictability pay equal to the number 22 of hours originally scheduled for a shift minus the number of 23 hours, if any, the employee actually worked for the shift, if 24 the employer cancels an employee's shift or reduces the hours 25 in an employee's shift without notifying the employee at least 26 24 hours before the shift would otherwise begin. 27 The bill specifies that predictability pay shall be 28 calculated on an hourly basis, shall be equal to an employee's 29 regular wage rate, shall be in addition to any wages earned 30 for work performed by the employee during a shift, and shall 31 be paid in the same pay period in which it is accrued by the 32 employee. Predictability pay is not required for a schedule 33 change resulting from an employee's request or a mutually 34 agreed upon shift trade among employees. The bill defines 35 predictability pay as part of an employee's wages for purposes

- 1 of Code chapter 91A, the Iowa wage payment collection law.
- 2 The requirements of the bill relating to advance notice
- 3 of work schedules, flexible working arrangements, and
- 4 predictability pay do not apply to an employer when that
- 5 employer's operations are suspended for one of certain reasons
- 6 set out in the bill.
- 7 The bill permits an employee to decline to work any hours
- 8 that begin sooner than 11 hours after the end of the employee's
- 9 previous shift.
- 10 The bill requires an employer who has additional hours
- 11 of work available in positions held by current employees to
- 12 offer such hours to current qualified employees before hiring
- 13 new employees or contractors, including the use of temporary
- 14 services or staffing agencies.
- 15 The bill prohibits an employer from engaging in various
- 16 discriminatory actions based on the number of hours an employee
- 17 is scheduled to work. The bill prohibits an employer from
- 18 paying a different regular rate of pay, condition eligibility
- 19 for leave or time off differently, or condition eligibility for
- 20 raises or promotions differently for similar employees based on
- 21 the number of hours they are scheduled to work.
- 22 The bill prohibits an employer from discharging or taking
- 23 any other adverse action against an employee in retaliation
- 24 for asserting any claim or right under the bill, for assisting
- 25 another employee in doing so, or for informing another employee
- 26 about their rights under the bill. The bill specifies that an
- 27 employer taking any adverse action against an employee within
- 28 one year of the employee's engaging in such activities raises
- 29 a rebuttable presumption that such action was retaliatory
- 30 in nature. Such presumption may be rebutted by clear and
- 31 convincing evidence that such action was taken for other
- 32 permissible reasons.
- 33 In addition to any other remedy provided by law, an employee
- 34 may bring a civil action against an employer for a violation of
- 35 the bill in any court of competent jurisdiction for an amount

- 1 equal to three times any damages incurred by the employee. The
- 2 employee may also recover court costs and attorney fees and
- 3 receive injunctive and other appropriate relief as the court
- 4 may order.
- 5 The bill provides powers and duties for the labor
- 6 commissioner relating to the administration and enforcement
- 7 of the bill, including holding hearings, conducting
- 8 investigations, settling complaints, employing qualified
- 9 personnel, and adopting rules.
- 10 The bill provides complaint, investigation, enforcement, and
- 11 settlement processes for violations of the bill. An employer
- 12 who violates the bill is subject to a civil penalty of not
- 13 more than \$500 per pay period for each violation. The bill
- 14 provides administrative and judicial processes for imposing and
- 15 recovering such penalties.
- 16 The bill shall not be construed to discourage or prohibit
- 17 an employer from the adoption or retention of a policy that
- 18 meets or exceeds but does not otherwise conflict with the
- 19 minimum standards and requirements provided in the bill. If
- 20 any provision of the bill conflicts with a provision of an
- 21 applicable collective bargaining agreement, the provision of
- 22 the collective bargaining agreement shall govern.
- 23 FAMILY LEAVE AND MEDICAL LEAVE INSURANCE. The bill
- 24 establishes a family leave and medical leave insurance program
- 25 (program), administered by the director of the department of
- 26 workforce development, that provides for paid, job-protected
- 27 leave for certain family leave and medical leave reasons for
- 28 eligible employees of specified employers.
- 29 An employee is eligible for family leave and medical leave
- 30 after working for a covered employer, as defined in the bill,
- 31 for a minimum of 12 consecutive months and a minimum of 1,250
- 32 hours during the 12 consecutive-month period immediately
- 33 preceding the employee's request for leave. Family leave and
- 34 medical leave are defined in the bill. Family leave includes
- 35 leave to care for an immediate family member with a serious

1 health condition, to bond with a newborn child or adopted or 2 foster child, or for a qualifying exigency for a family member 3 as permitted under the federal Family and Medical Leave Act of 4 1993, as amended (FMLA). Medical leave includes leave due to 5 the employee's own serious health condition. Serious health 6 condition is defined in the bill. The bill provides that an eligible employee may not receive 8 more than 12 weeks of family leave, 12 weeks of medical leave, 9 or 16 weeks of combined family and medical leave in a defined 10 consecutive 12-month period. The defined consecutive 12-month 11 period begins on the date of the birth of a child or placement 12 of a child for adoption or foster care with an eliqible 13 employee, or on the first date that an eligible employee takes 14 either family leave or medical leave. The minimum duration of 15 leave an eligible employee may take is eight consecutive hours. 16 An employee is disqualified for family leave and medical 17 leave benefits for an absence due to the employee purposefully 18 causing injury or sickness to the employee or a family member, 19 for an absence caused by an illness or injury due to the 20 employee engaging in an illegal act, or an absence due to an 21 employer taking disciplinary action against the employee. 22 An employee must provide a minimum of 30 days notice to an 23 employer of the employee's intent to take leave for the birth 24 of a child or placement of a child for adoption or foster care, 25 or of the employee's intent to take family leave or medical 26 leave. If circumstances require an employee's leave to begin 27 in less than 30 days, the employee must give as much notice as 28 is practicable. If an eligible employee requests medical leave 29 or family leave, the employee must make a reasonable effort to 30 schedule their own, or their family member's medical treatment, 31 to not unduly disrupt the employer's operations. The bill requires an eligible employee to file a claim 33 for benefits as required by the director. The employee 34 must consent to the disclosure of potentially private or

35 confidential information to and from the department, and the

1 employee's employer, for administration of the family leave 2 or medical leave. The bill specifies that such information 3 is not a public record pursuant to Code section 22.1. 4 employee must attest that the employee has provided notice of 5 the employee's intent to take leave to the employee's employer. 6 The employee must also authorize the employee's, or the 7 employee's family member's health care provider, to complete 8 a certification of a serious health condition as required by 9 the director. The bill provides for a seven-day waiting period before 10 11 benefits are payable. There is no waiting period for benefits 12 for leave for the birth of a child or placement of a child for 13 adoption or foster care. The basis for the calculation of the amount of a family 14 15 leave or medical leave benefit is an eligible employee's weekly 16 earnings as defined in the bill. The weekly leave benefit 17 amount payable to an employee for any one week is 80 percent 18 of the employee's weekly spendable earnings, but must not 19 exceed an amount equal to 200 percent of the statewide average 20 weekly wage paid to employees as determined by the department 21 of workforce development. The minimum weekly leave benefit 22 amount is equal to the weekly leave benefit amount of a person 23 whose gross weekly earnings are 35 percent of the statewide 24 average weekly wage, or to the spendable weekly earnings of the 25 employee, whichever is less. "Spendable weekly earnings" is 26 defined in the bill as the amount remaining after payroll taxes 27 are deducted from an employee's gross weekly earnings. The department must send the first benefit payment to an 28 29 eligible employee within 10 days after a properly completed 30 weekly claim for benefits is received by the department. 31 the employee continues to submit a properly completed weekly 32 claim, subsequent payments are to be made to the employee at 33 least biweekly. If an employer, or the department, contests

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34 an employee's eligibility, benefit payments may be made on 35 a conditional basis. The employee is required to pay the

- 1 benefits back if the department later rules that the employee 2 is ineligible to receive such benefits. The bill provides that the program shall be funded via 4 employee and employer contributions. Beginning on January 1, 5 2023, and ending on December 31, 2024, the department must 6 assess a covered employer a premium rate of four-tenths of one 7 percent of an employee's weekly wages, subject to a maximum 8 limit of wages subject to the assessment, as determined by 9 the director based on the maximum wages subject to taxation 10 for social security. One-third of the premium is to be used 11 to fund family leave insurance benefits and two-thirds of the 12 premium is to be used to fund medical leave benefits. 13 covered employer may deduct the full amount of the family leave 14 premium from an employee's wage. A covered employer may deduct 15 up to 45 percent of the medical leave premium and 45 percent of 16 the family leave premium from an employee's wage. The employer 17 must pay the remaining 55 percent of both the medical leave and 18 family leave premiums, and may elect to pay all or any portion 19 of an employee's share of such premiums. Beginning January 20 1, 2025, the premium rate shall be calculated by the director 21 based on the family leave and medical leave insurance account
- 23 The premium rate is adjusted based on the balance ratio as
- 24 detailed in the bill. If the balance ratio falls below five

22 balance ratio as of September 30 of the previous calendar year.

- 25 hundredths of one percent, the bill requires the director to
- 26 assess a solvency surcharge that is added to the total premium
- 27 rate assessed to a covered employer. The minimum solvency
- 28 surcharge is one-tenth of one percent and the maximum is
- 29 six-tenths of one percent.
- 30 On September 30 of each year, the bill requires the
- 31 department to average the number of employees reported by an
- 32 employer over the last four completed calendar quarters to
- 33 determine if the employer is a covered employer for the next
- 34 calendar year.
- 35 The bill requires a covered employer to collect all assessed

1 premiums and surcharges from the employer's employees through 2 payroll deduction and to remit all premiums to the department 3 as required by the director. An employer may apply for, and the director must grant, a 5 waiver of premiums for an employee who is located physically 6 outside of the state and not expected to work in the state for 7 1,250 or more hours in any consecutive 12-month period. 8 the employee subsequently works 1,250 or more hours within 9 the state, the employer and employee are responsible for all 10 premiums that should have been collected. Self-employed persons may elect to participate in the 12 program for a minimum initial participation period of three 13 years. Any subsequent period of participation must be for 14 a minimum of one year. A self-employed person must pay 15 the employee and employer's portion of the premium assessed 16 by the director. A self-employed person who elects to 17 participate in the program is eligible for family leave and 18 medical leave benefits after working a minimum of 1,250 hours 19 in the consecutive 12-month period immediately following 20 the person's election to participate in the program. 21 self-employed person may withdraw from the program by providing 22 written notice to the director. The director may cancel the 23 self-employed person's elective coverage for failure to submit 24 the required premiums. An eligible employee who takes family leave or medical leave 26 is entitled to restoration of employment equal to but not 27 greater than that provided by FMLA. The bill provides that if 28 required under FMLA, an employer must maintain any existing 29 health benefits during an employee's leave. If the employer 30 and employee normally share the cost of such, the employee is 31 responsible for paying the employee's share of the costs. A covered employer must submit reports as required by the

33 director and maintain employment records for each employee 34 from which the director may obtain information related to an 35 employee's family leave or medical leave. Such records must

- 1 be maintained for 10 years from the date on which an employee
- 2 first takes a family leave or medical leave.
- 3 The bill provides that family leave or medical leave shall
- 4 be in addition to leave required under state or federal law
- 5 for sickness or temporary disability due to pregnancy or
- 6 childbirth. The bill requires family leave or medical leave
- 7 taken under this program to be taken concurrently with leave
- 8 taken under FMLA. A covered employer may allow an employee
- 9 to choose to use either accrued sick or vacation benefits, or
- 10 family leave and medical leave benefits. An employee cannot
- ll receive family or medical leave benefits at the same time the
- 12 employee is receiving state or federal unemployment, workers'
- 13 compensation, or disability benefits. The bill prohibits
- 14 discrimination on the basis of any state or federally protected
- 15 category.
- 16 The bill requires the director to administer the program and
- 17 to provide outreach to ensure that employers and employees are
- 18 aware of the program and the benefits available under such.
- 19 The bill provides that a family leave and medical leave
- 20 insurance account shall be created in the custody of the
- 21 treasurer of state. The director shall deposit all premiums
- 22 collected from employers into such account and the account can
- 23 only be used for the program as authorized by the director.
- 24 The bill requires the director to adopt rules to administer
- 25 the provisions of the bill. The director may take any action
- 26 under the director's authority to enforce compliance with the
- 27 bill.
- 28 The director is required to analyze the funding of the
- 29 program and the benefits payable from the program's account.
- 30 The director shall determine if the premium rates and the
- 31 benefit levels are appropriate to fully fund and maintain the
- 32 solvency of the program. The director must submit the findings
- 33 to the general assembly and the governor no later than January
- 34 11, 2021.
- 35 APPLICABILITY PROVISIONS. The bill applies to collective

- 1 bargaining agreements entered into on or after the effective
- 2 date of the bill. For an employee hired prior to the effective
- 3 date of the bill, paid sick leave required pursuant to the bill
- 4 shall begin to accrue on the effective date of the bill. For an
- 5 employee hired on or after the effective date of the bill, paid
- 6 sick leave required pursuant to the bill shall begin to accrue
- 7 on the service employee's date of hire.